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June 3, 2004

VIA HAND DELIVERY

Honorable Kim Beals, Esq., Hearing Officer
c/o Sharla Dillon, Docket & Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee, 37243-0505

RE: Petition of Cellco Partnership d/b/a/ Verizon Wireless for Arbitration Under the
Telecommunications Act of 1996, TRA Consolidated Docket No 03-00585

Dear Hearing Officer Beals:

Attached hereto please find an original and thirteen (13) copies of the Matrix and direct testimony of Marc B. Sterling on behalf of Verizon Wireless. The direct testimony of the other CMRS Providers (as defined below) will be filed under separate cover today.

Pursuant to Hearing Officer's Beal's Order Modifying Procedural Schedule dated, April 15, 2004, the petitioners in this consolidated docket, Verizon Wireless, Cingular Wireless, AT&T Wireless, T-Mobile and Sprint PCS (collectively the "CMRS Providers"), today have filed the direct testimony of the following witnesses:

<i>Witness</i>	<i>Company</i>
Marc B Sterling	Verizon Wireless
William H. Brown	Cingular Wireless
Suzanne N. Nieman	AT&T Wireless
Greg Tedesco	T-Mobile
Billy H. Pruitt	Sprint PCS
W. Craig Conwell	Verizon Wireless, Cingular Wireless, AT&T Wireless and T- Mobile

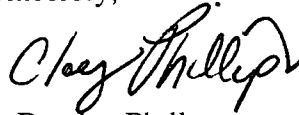
In order to expedite the arbitration process and to avoid repetition to the extent reasonably possible, the CMRS Providers have each assumed primary responsibility for certain designated issues in their respective testimony. Attached to this letter is a matrix (the "Matrix") that (i) lists the areas that the CMRS Providers will cover in their testimony; (ii) identifies the CMRS Provider primarily responsible for each area; and (iii) cross references the related issue from the Joint Issue Matrix submitted by the parties on March 4, 2004. To the extent not otherwise addressed by his or her

Honorable Kim Beals, Esq., Hearing Officer
June 3, 2004
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individual testimony, each CMRS Provider witness generally concurs with the testimony submitted by the other CMRS Providers regarding those areas for which they assumed primary responsibility.

The enclosed documents have been served on counsel for the Rural Coalition of Small LECs and Cooperatives. If you have any questions about this filing or need any additional information, please do not hesitate to give me a call at (615) 744-8446.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Barclay Phillips", written in a cursive style.

J. Barclay Phillips

clw

Enclosure

cc: William T. Ramsey, Esq.
Stephen G. Kraskin, Esq.
Henry Walker, Esq.
Paul Walters, Jr, Esq.
Mark J. Ashby, Esq.
Suzanne Toller, Esq.
Beth K. Fujimoto, Esq.
Edward Phillips
Charles W. McKee
Elaine Critides
Dan Menser
Marin Fettman
Leon M. Bloomfield

CMRS PROVIDERS' TESTIMONY MATRIX:
AREAS OF EMPHASIS AND RELATED ISSUES

CMRS PROVIDER	AREA OF EMPHASIS	ISSUE NO.
Each	<i>Purpose of testimony</i>	
Each	<i>Witness background and experience</i>	
Each	<i>CMRS Providers' Service</i>	
Each	❖ Information regarding CMRS Providers' company, network, and service generally and in Tennessee	
Each	❖ Current interconnection agreements with BellSouth and conversion to meet point billing	
Each	❖ Exchange of traffic and interconnection agreements with the ICOs	
Each	❖ Each CMRS Provider's affiliate(s) seeking interconnection	ICO 4
Sprint PCS	○ Network enlargement through management agreements	
Each	❖ Overview of numbering resources in Tennessee	Supports Issue 12
	<i>Negotiations with ICOs</i>	
Each	❖ with individual ICOs	
Sprint PCS	❖ collectively	

	<i>Arbitration Issues</i>	
AT&T Wireless	❖ <i>Intermediary Carrier Participation in the Interconnection/Arbitration Process</i>	4, 9, 3, ICO 1, ICO 3
Sprint PCS	❖ <i>Resolution of Issues Between BellSouth and the ICOs is not a Pre-requisite to Interconnection Between the ICOs and CMRS Providers</i>	ICO 9
AT&T Wireless	❖ <i>Scope of the Agreement</i>	ICO 8
	○ should not be limited to transit traffic carried by BellSouth or other intermediary carriers specifically identified in the Agreement	14
	○ should not be limited to indirect traffic	15
	○ should not be limited to calls which originate in a certain specified area	ICO 5, 8
	○ should not be limited to traffic for which accurate billing records are provided	13
	❖ <i>Indirect Interconnection</i>	
Sprint PCS	○ Legal obligation to provide indirect interconnection; applicability of section 251(b)(5)	1, 2
Sprint PCS	○ Third party traffic can be delivered by BellSouth even if ICOs do not subtend the BellSouth tandem	ICO 2
Sprint PCS	○ Originating carrier bears the obligation to pay any transit costs	5
Sprint PCS	○ Traffic can be co-mingled (including with "access" traffic)	6

	❖ Direct Interconnection	
Verizon Wireless	<ul style="list-style-type: none"> Why provisions regarding direct interconnection should be included in the interconnection agreement and what issues should be resolved 	15
Verizon Wireless	<ul style="list-style-type: none"> Where the Point of Interconnection should be 	7
Verizon Wireless	<ul style="list-style-type: none"> What percentage of the cost of the interconnecting facilities should be borne by the ICOs 	7
Sprint PCS	❖ Network Changes	18
	❖ Compensation	
Cingular	<ul style="list-style-type: none"> What laws govern (applicability of section 251(b)(5) to indirect) 	2
Cingular	<ul style="list-style-type: none"> Pricing methodology and bill & keep 	8
Cingular	<ul style="list-style-type: none"> Appropriateness of factors 	9, 11
Cingular	<ul style="list-style-type: none"> De minimis traffic 	10
Cingular	<ul style="list-style-type: none"> When access charges apply 	ICO 6
Sprint PCS	<ul style="list-style-type: none"> Scope of traffic covered by reciprocal compensation obligation 	2(b)
Verizon Wireless	❖ Dialing Parity and Non-Discrimination in End User Rates	12
AT&T Wireless	❖ Generic Contract Provisions	16, ICO 10
AT&T Wireless	<ul style="list-style-type: none"> Termination provisions 	17

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:)
Petition of Cellco Partnership d/b/a Verizon Wireless) **Docket No. 03-00585**
for Arbitration under the Telecommunications Act)
)

**TESTIMONY OF MARC B. STERLING
ON BEHALF OF
CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS**

1 BACKGROUND

2 Q. State your name, address and occupation.

3 A. My name is Marc B. Sterling. I am Member Technical Staff – Contract
4 Negotiator for Verizon Wireless and my office address is One Verizon Place, Alpharetta,
5 Georgia 30004. Verizon Wireless was formed as a result of the merger between the
6 wireless properties formerly held by AirTouch Communications, Cellco Partnership d/b/a
7 Bell Atlantic Mobile, GTE Wireless Incorporated, and PrimeCo Personal
8 Communications, LP. Verizon Wireless operates the licenses held in Tennessee by
9 Cellco Partnership and Verizon Wireless Tennessee Partnership, and it is on behalf of
10 these entities that interconnection agreements with the members of the Rural Independent
11 Coalition of Small LECs and Cooperatives (“ICOs”) are being sought.

12

13 Q. What are your qualifications to be a subject matter expert with respect to
14 interconnection?

15 A. I have been employed in the telecommunications industry for nineteen (19) years
16 and in wireless for fifteen (15) years. My work experience in this industry includes

1 financial analysis, business planning, partnership relations, and negotiation of
2 acquisitions and divestitures of wireless licenses and partnership interests. Since 1997, I
3 have been negotiating interconnection agreements and private line transport lease
4 agreements. I have negotiated interconnection agreements with RBOCs (Ameritech,
5 BellSouth, Pacific Bell, and Southwestern Bell), national ILECs (Alltel and Sprint-
6 United), and rural ILECs.

7
8 **Q. What has your experience been with regard to negotiating interconnection**
9 **agreements directly with independent local exchange carriers?**

10 A. On behalf of Verizon Wireless, I have negotiated direct and indirect
11 interconnection agreements with independent local exchange carriers in various states.
12 Verizon Wireless typically pursues direct interconnection with an independent LEC when
13 Verizon Wireless intends to offer wireless telephone numbers rated in one or more of the
14 independent LEC's exchanges, or the amount of traffic volume between the ILEC and
15 Verizon Wireless justifies a direct connection. Having numbers rated to an independent
16 LEC's rate centers enables the ILEC's subscribers to call Verizon Wireless's customers
17 without incurring toll charges, which is a benefit to both carriers' subscribers because
18 many ILEC customers desire wireless services that are local to their business or home
19 exchanges. Where the traffic volumes exchanged are low, Verizon Wireless has also
20 entered agreements with independent LECs that cover only indirect interconnection. The
21 agreements that Verizon Wireless has negotiated govern compensation between Verizon
22 Wireless and the independent LEC for any traffic exchanged indirectly through a third
23 party's tandem. However, Verizon Wireless generally seeks to include direct and

1 indirect arrangements in the same agreement to avoid the time and expense necessary to
2 amend interconnection agreements and to file any resulting amendments with state
3 commissions.

4
5 **Q. What, if any, agreements have you been able to reach with independent**
6 **LECs in the region?**

7 A. Verizon Wireless has agreements covering direct and indirect interconnection in
8 Tennessee with Citizens Telecommunications Company, Sprint-United Telephone, and
9 TDS Telecom (covering Concord Telephone Exchange, Inc., Humphreys County
10 Telephone Company, Tennessee Telephone Company, and Tellico Telephone Company).
11 Verizon Wireless also has a “facilities leasing” agreement with Ben Lomand Rural
12 Telephone Cooperative that provides compensation for mobile-to-land traffic delivered
13 directly; however, this agreement was negotiated prior to the 1996 Act and has never
14 been updated, despite attempts by the parties to negotiate an agreement consistent with
15 Sections 251 and 252 of the Act. Verizon Wireless has successfully negotiated
16 agreements covering direct and indirect interconnection with several independent LECs
17 in other BellSouth states

18
19 **Q. What is “meet point billing”?**

20 A. Meet Point Billing (“MPB”), for purposes of these proceedings, is a process that
21 enables BellSouth to provide billing data for calls exchanged between carriers via
22 BellSouth’s network. With MPB arrangements, carriers terminating traffic exchanged
23 via BellSouth’s tandems receive information from BellSouth they can use to bill the

1 originating carrier for the transport and termination of such traffic. With the
2 implementation of MPB, Verizon Wireless and the ICOs have the information needed to
3 settle with each other directly for traffic they exchange indirectly via BellSouth's
4 tandems.

5

6 **Q. What actions did Verizon Wireless and BellSouth take before implementing**
7 **MPB?**

8 A Verizon Wireless implemented MPB in Tennessee effective May 23, 2003
9 Parties were required to provide information necessary for BellSouth to identify all
10 parties to be billed. Such information typically included. (1) Regional Accounting Office
11 code (RAO), (2) Operating Company Number (OCN) and/or Company Code (CC) per
12 state for each entity to be billed, (3) a unique Access Carrier Name Abbreviation
13 (ACNA), (4) Percent Interstate Usage, (5) Percent Local Usage, (6) 800 Service Percent
14 Usage or default of 50%, (7) Billing Interconnection Percentage (BIP), and (8) a
15 screening Telephone Number (STN) from a dedicated NXX associated with each Trunk
16 Group subscribed to by Carrier.

17

18 **Q. Briefly describe the operations of Verizon Wireless in Tennessee.**

19 A. Verizon Wireless owns and operates FCC licenses in the following markets in
20 Tennessee: Chattanooga MSA, Chattanooga BTA, Clarksville-Hopkinsville MSA,
21 Cleveland BTA, Johnson City-Kingsport-Bristol MSA, Knoxville MSA, Memphis MSA,
22 Memphis BTA, Nashville-Davidson MSA, and Tennessee RSA Nos. 1, 2, 3, 4, 5, 6, 7,
23 and 9. Verizon Wireless serves these markets from switches located in Knoxville,

Memphis, and Nashville.

Q. Briefly describe Verizon Wireless's numbering resources in Tennessee.

A. Verizon Wireless currently has numbers rated in seventy-one (71) rate centers throughout Tennessee. Landline-originated calls to Verizon Wireless's numbers should be afforded the same treatment as landline-originated calls to landline numbers rated at the same rate centers.

Q. What is Verizon Wireless's position with respect to traffic factors (land-originated vs. mobile-originated) and interMTA percentages?

A. While some CMRS Providers have the capability to measure land-to-mobile usage, Verizon Wireless does not have the capability to identify indirectly delivered land-to-mobile usage by originating carrier. As such, Verizon Wireless applies agreed upon traffic factors to billed mobile-to-land usage to determine land-to-mobile minutes for purposes of reciprocal compensation. Verizon Wireless provided mobile-to-land traffic measurements in its response to the ICOs' discovery requests. The CMRS Providers sought land-to-mobile traffic data in their discovery requests, but the ICOs have not provided any traffic data. Without measurements of traffic in both directions, Verizon Wireless is not able to calculate the percentages of total traffic exchanged with each ICO that are land-originated and mobile-originated. To the extent traffic exchanged between carriers is roughly balanced, bill-and-keep is an appropriate alternative. *See* 47 C.F.R. § 51.713.

Verizon Wireless does not have the technical ability to determine whether a call

1 terminating to an ICO originated in the same MTA. Historically, Verizon Wireless has
2 negotiated interMTA percentage factors with ILECs based upon Verizon Wireless's
3 network and the location of the ILEC's service area relative to the MTA boundaries. In
4 the same manner, Verizon Wireless has negotiated factors to estimate the percentage of
5 interMTA traffic that is intrastate and interstate.

6
7 **Q. Please detail the history of these negotiations.**

8 A. The parties to this proceeding have conducted negotiations on a collective basis.
9 Verizon Wireless will therefore adopt the description of these negotiations set forth in the
10 testimony of Sprint PCS.

11
12 **Q. Please explain why BellSouth should not be a party to the interconnection**
13 **agreements between each wireless carrier and each ICO.**

14 A. As a result of the collective nature of these proceedings and for the purposes of
15 avoiding redundant testimony, Verizon Wireless adopts the testimony of AT&T Wireless
16 on this issue.

17
18 **SCOPE OF THE AGREEMENT (CMRS Issues 13, 14, 15; ICO Issues 5, 8)**

19 **Q. In your opinion, are there issues that require a ruling from the Authority**
20 **before the parties can successfully negotiate an interconnection agreement?**

21 A. Yes. Pursuant to Sections 251 and 252 of the Act, Verizon Wireless and the ICOs
22 may negotiate, and to the extent such negotiations are not successful, ultimately arbitrate
23 the rates, terms, and conditions of direct and indirect interconnection. Based upon our

1 experience negotiating with the ICOs, Verizon Wireless believes that voluntary
2 negotiations have been unproductive primarily because of the different legal positions of
3 the parties over the jurisdictional nature of indirect traffic. While Verizon Wireless
4 contends that indirect traffic is subject to reciprocal compensation under Section
5 251(b)(5) and the FCC's rules, the ICOs argue that neither Section 251(b)(5) nor the
6 FCC's rules implementing reciprocal compensation requirements obligate an ILEC to
7 treat indirect traffic as being subject to reciprocal compensation. Verizon Wireless and
8 the ICOs need the Authority to rule, pursuant to its authority under Section 252(b),
9 whether the reciprocal compensation mandate of Section 251(b)(5) of the Act applies to
10 traffic exchanged via indirect interconnection arrangements.

11
12 **Q. What type of traffic is subject to reciprocal compensation?**

13 A. According to the FCC's *Local Interconnection Order*, as codified in 47 C.F.R. §
14 51.701(b)(2), CMRS-to-LEC traffic that originates and terminates within the same MTA
15 is subject to reciprocal compensation. There is simply no distinction in the FCC's rules
16 for differential application of reciprocal compensation requirements based on whether
17 traffic is exchanged directly or indirectly.

18
19 **TECHNICAL ISSUES – Indirect Interconnection (CMRS Issues 1, 2, 5, 6; ICO**
20 **Issues 2, 9)**

21 **Q. What type of interconnection facilities are you seeking from the ICOs?**

22 A. Initially, Verizon Wireless seeks to continue to interconnect with the ICOs in
23 Tennessee indirectly via third-party tandems unless the volume of traffic exchanged

1 between Verizon Wireless and an ICO economically justifies direct interconnection
2 Typically, Verizon Wireless agrees to provision direct interconnection facilities on a
3 dedicated basis where the parties exchange approximately 500,000 mobile-to-land
4 minutes of usage ("MOUs") per month.
5

6 **Q. What are technical and economic considerations for these indirect facilities?**

7 A. To the extent Verizon Wireless and an ICO interconnect indirectly, as we do
8 today, traffic we exchange will continue to be transmitted over common facilities
9 between BellSouth's tandems and the ICO. The use of BellSouth's tandems and the
10 common trunks connecting those tandems to the ICOs provides the most efficient means
11 of exchanging traffic when volumes do not justify direct interconnection. To require
12 provisioning of direct interconnection facilities when the volume of traffic exchanged is
13 low would unnecessarily increase costs to both Verizon Wireless and the ICO, and would
14 not be efficient.
15

16 **Q. Where the parties are interconnected indirectly, what party should bear the**
17 **transit rate for traffic it originates?**

18 A. According to Section 51.703(b) of the FCC's reciprocal compensation rules, the
19 originating carrier is responsible for the costs of the traffic that is originated on its
20 network and delivered to the terminating carrier. As such, the originating carrier should
21 bear the cost of transiting a third-party's network. Verizon Wireless pays BellSouth for
22 the transiting service for indirect traffic terminated by the ICOs. But, the ICOs contend
23 that Verizon Wireless should pay BellSouth for indirect traffic in the land-to-mobile

1 direction terminated by VZW. However, pursuant to the FCC's rule 51.703(b), the
2 originating carrier is responsible for the costs of delivering traffic it causes to be
3 terminated on terminating carrier's network—not the terminating carrier or the transiting
4 carrier.

5
6 **Q. Why should the originating carrier pay for the transit, transport, and**
7 **termination fees associated with origination of its own traffic?**

8 A. According to current rules promulgated by the FCC, the calling party's network is
9 considered the cost causer, and thus the originating carrier must compensate the
10 terminating carrier for the use of the terminating carrier's network, and must also
11 compensate the transiting carrier for the transiting function provided.

12
13 **TECHNICAL ISSUES – Direct Interconnection (CMRS Issues 7, 15)**

14 **Q. Why should direct interconnection be a part of the interconnection**
15 **agreement?**

16 A. Based on the demographics, Verizon Wireless expects continued growth in
17 minutes of usage in markets also served by the ICOs. In fact, the volume of traffic
18 Verizon Wireless exchanges with several of the ICOs is already at a level where
19 establishing direct interconnection facilities with these ICOs would be economically
20 efficient and mutually beneficial. If there are no provisions governing the rates, terms,
21 conditions and threshold requirements for efficient direct interconnection facilities, the
22 parties would have to negotiate an amendment to the interconnection agreement and file

1 it with the TRA, prior to provisioning these facilities. This process would delay network
2 efficiencies and raise administrative burdens for both parties.

3
4 **Q. What direct interconnection issues need to be resolved?**

5 A. As previously noted, Verizon Wireless believes that direct interconnection
6 facilities are only appropriate when economically justified by the volume of traffic
7 exchanged between a CMRS carrier and an ILEC. While CMRS carriers have the right
8 per Section 251(c)(2) of the Act to request direct interconnection with an ILEC at any
9 time, the Authority should clarify that direct interconnection is not required in order for
10 an ILEC to provide local treatment of land-originated calls to CMRS Provider
11 NPA/NXXs associated with rate centers that are either local or EAS to the landline caller.
12 To the extent direct interconnection facilities are provisioned, the Authority should
13 determine to what extent such facilities would be used to carry traffic in both the mobile-
14 to-land and land-to-mobile directions, and the extent to which the cost of direct
15 interconnection facilities should be shared between the CMRS Provider and the ICO.

16
17 **Q. Where should the point of interconnection (POI) be when parties
18 interconnect directly?**

19 A. Direct interconnection between a CMRS Provider and an ICO requires
20 provisioning of a dedicated facility between the ICOs' end office or tandem switch and
21 the CMRS Provider's Mobile Switching Center ("MSC"). The physical point of
22 interconnection ("POI") may be located at any technically feasible point on an ICO's
23 network or at any other mutually agreeable point. The POI is the demarcation point

1 between the two carriers' networks and is significant for determining the MOU costs
2 associated with transport and termination on a terminating carrier's network, as reciprocal
3 compensation rates are based on the costs associated with transport and termination from
4 the POI to the terminating end office.

5
6 **Q. How should the parties apportion the cost of direct interconnection facilities?**

7 A. The cost of two-way direct interconnection facilities should be shared based on
8 the relative usage by Verizon Wireless and the ICOs. While the ICOs indicate they agree
9 with this approach, they contend in Section 4.3.2 of their proposed "CMRS-LEC" form
10 of interconnection agreement that they should only share the cost of the portion of the
11 connecting facility that is within the ICO's incumbent service area, and that they are not
12 responsible for delivery of ICO-originated traffic beyond their franchise territory.
13 Verizon Wireless believes that ILECs are responsible for the cost of delivering ILEC-
14 originated traffic to CMRS carriers anywhere within the MTA in which the call
15 originated. While we would not expect the ICOs to build facilities outside of their
16 territory to carry such traffic, we do believe the ICOs should compensate the CMRS
17 carrier or third party carrier whose facilities are used to deliver such traffic.

18
19 **TECHNICAL ISSUES – General (CMRS Issue 18)**

20 **Q. What provisions should be made regarding network changes?**

21 A. Based upon the collective nature of the negotiations, Verizon Wireless adopts the
22 testimony of Sprint PCS's witness on this issue.

1 **COMPENSATION (CMRS Issues 2, 8, 9, 11; ICO Issue 6)**

2 **Q. Do reciprocal compensation obligations apply to traffic indirectly exchanged**
3 **between a CMRS Provider and an ICO?**

4 A. Verizon Wireless adopts the testimony of Cingular's witness on this issue.
5

6 **Q. What is the appropriate pricing methodology for establishing a reciprocal**
7 **compensation rate between the CMRS Providers and the ICOs?**

8 A. Verizon Wireless adopts the testimony of Cingular's witness on this issue.
9

10 **Q. Should the parties establish factors to use as proxies for the mobile-to-land**
11 **and land-to-mobile traffic balance and to determine the interMTA traffic**
12 **percentage where actual traffic measurements are not available?**

13 A. Verizon Wireless adopts the testimony of Cingular's witness on this issue.
14

15 **Q. How should access charges apply to interMTA traffic?**

16 A. Verizon Wireless adopts the testimony of Cingular's witness on this issue.
17

18 **DIALING PARITY (CMRS Issue 12)**

19 **Q. Must an ILEC provide dialing parity for calls delivered to CMRS**
20 **NPA/NXXs? Does it matter whether such calls are delivered directly or indirectly?**

21 A. Section 251(b)(3) of the Act and Section 51.207 of the FCC's rules require ILECs
22 to permit their local exchange customers to dial the same number of digits to complete
23 local telephone calls irrespective of the called party's telecommunications services

1 provider These rules do not distinguish between calls delivered directly or indirectly.
2 The ICOs take the position that land-originated calls delivered to CMRS carriers
3 indirectly are by default toll calls requiring “1+” dialing, and that even land-originated
4 calls delivered over direct interconnection facilities to CMRS carriers may be toll calls
5 unless they voluntarily agree otherwise. The ICOs’ position is discriminatory and anti-
6 competitive, and creates customer confusion. Callers forced to dial “1+” for landline-
7 originated calls to wireless numbers often perceive the lack of dialing parity to be caused
8 by the wireless carrier The Authority should reject the ICOs’ interpretation of the
9 dialing parity rule and should order dialing parity for ICO-originated calls to CMRS
10 Provider numbers associated with a rate center in the ICO’s local or EAS calling areas
11 whether such calls are delivered over direct facilities or indirectly through a third party’s
12 tandem.

13

14 **Q. Can an ILEC charge its end users toll rates for calls to CMRS NPA/NXXs**
15 **while providing local calling for calls to landline NPA/NXXs rated in the same rate**
16 **center?**

17 A. No Other state commissions have ruled that ILECs cannot charge different rates
18 for calls to numbers associated with the same rate center. The California PUC rejected
19 ILEC claims that they should be allowed to rate calls to a CLEC NPA/NXX assigned to a
20 local rate center as toll. Similarly, the New York PSC found that rating for calls to CLEC
21 NPA/NXXs should be based on rate center assignment Imposing toll charges on calls to
22 CMRS NPA/NXXs is not only discriminatory and anti-competitive, but it also forces
23 consumers to pay toll charges for what should otherwise be a toll-free call. To the extent

1 the rate center associated with a CMRS Provider's NPA/NXX is local or EAS to the
2 landline caller, ICO-to-CMRS traffic should be a local call to the landline caller, and the
3 call should be delivered to the CMRS carrier by the ICO
4 The advent of intermodal porting further shows why the ICOs' position should be
5 rejected. Landline callers are accustomed to local calling to landlines in local and
6 neighboring EAS rate centers. A called party porting their number to a wireless service
7 provider should not lose the ability to be reached locally by landline callers that were able
8 to call them locally prior to their number being ported.

9

10 **MISCELLANEOUS**

11 **Q. Does Verizon Wireless currently have in place the billing processes to bill for**
12 **reciprocal compensation based on measurement of traffic delivered indirectly via a**
13 **third party tandem?**

14 A Verizon Wireless does not currently measure actual land-to-mobile minutes of
15 use. As Verizon Wireless's process for billing reciprocal compensation is not currently
16 capable of such measurements, Verizon Wireless would expect to bill reciprocal
17 compensation based on negotiated land-to-mobile ratios applied to usage billed to
18 Verizon Wireless by each ICO. This is the same method used by Verizon Wireless to bill
19 reciprocal compensation pursuant to its existing direct and indirect interconnection
20 agreements throughout the BellSouth region. It is common practice for wireless carriers
21 to bill based on negotiated traffic factors, with such traffic factors derived from traffic

1 studies. The FCC recognized these billing techniques in its order implementing its local
2 reciprocal compensation rules.¹

3

4 **Q. Does this conclude your testimony?**

5 A. Yes, at this time

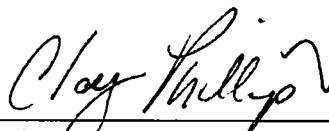
¹ See *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, First Report and Order, 11 FCC Rcd 15499 (1996) at ¶ 1044, “We conclude that the parties may calculate overall compensation amounts by extrapolating from traffic studies and samples ”

CERTIFICATE OF SERVICE

I hereby certify that on June 3, 2004, a true and correct copy of the foregoing has been served on the parties of record, via the method indicated:

<input type="checkbox"/>	Hand	Stephen G. Kraskin
<input checked="" type="checkbox"/>	Mail	Kraskin, Lesse & Cosson, LLC
<input type="checkbox"/>	Facsimile	2120 L Street NW, Suite 520
<input type="checkbox"/>	Overnight	Washington, D.C. 20037
<input type="checkbox"/>	Hand	William T. Ramsey
<input checked="" type="checkbox"/>	Mail	Neal & Harwell, PLC
<input type="checkbox"/>	Facsimile	2000 One Nashville Place
<input type="checkbox"/>	Overnight	150 Fourth Avenue North
		Nashville, TN 37219
<input checked="" type="checkbox"/>	Hand	J Gray Sasser
<input type="checkbox"/>	Mail	J. Barclay Phillips
<input type="checkbox"/>	Facsimile	Melvin Malone
<input type="checkbox"/>	Overnight	Miller & Martin LLP
		1200 One Nashville Place
		150 Fourth Avenue North
		Nashville, Tennessee 37219
<input type="checkbox"/>	Hand	Edward Phillips
<input checked="" type="checkbox"/>	Mail	Sprint
<input type="checkbox"/>	Facsimile	14111 Capital Blvd.
<input type="checkbox"/>	Overnight	Wake Forest, NC 27587-5900
<input type="checkbox"/>	Hand	Elaine D. Critides
<input checked="" type="checkbox"/>	Mail	Verizon Wireless
<input type="checkbox"/>	Facsimile	13001 Street, NW Ste. 400 West
<input type="checkbox"/>	Overnight	Washington, DC 20005
<input type="checkbox"/>	Hand	Paul Walters, Jr
<input checked="" type="checkbox"/>	Mail	15 East 1 st Street
<input type="checkbox"/>	Facsimile	Edmond, OK 73034
<input type="checkbox"/>	Overnight	
<input type="checkbox"/>	Hand	Mark J. Ashby
<input checked="" type="checkbox"/>	Mail	Cingular Wireless
<input type="checkbox"/>	Facsimile	5565 Glennridge Connector
<input type="checkbox"/>	Overnight	Suite 1700
		Atlanta, GA 30342

<input type="checkbox"/>	Hand	Suzanne Toller
<input checked="" type="checkbox"/>	Mail	Davis Wright Tremaine LLP
<input type="checkbox"/>	Facsimile	One Embarcadero Center, #600
<input type="checkbox"/>	Overnight	San Francisco, CA 94111-3611
<input type="checkbox"/>	Hand	Beth K. Fujimoto
<input checked="" type="checkbox"/>	Mail	AT&T Wireless Services, Inc.
<input type="checkbox"/>	Facsimile	7277 164 th Ave., NE
<input type="checkbox"/>	Overnight	Redmond, WA 90852
<input type="checkbox"/>	Hand	Henry Walker
<input checked="" type="checkbox"/>	Mail	Jon E. Hastings
<input type="checkbox"/>	Facsimile	Boult Cummings, et al.
<input type="checkbox"/>	Overnight	P.O. Box 198062
		Nashville, TN 37219-8062
<input type="checkbox"/>	Hand	Dan Menser, Sr. Corp. Counsel
<input checked="" type="checkbox"/>	Mail	Marin Fettman, Corp. Counsel Reg. Affairs
<input type="checkbox"/>	Facsimile	T-Mobile USA, Inc.
<input type="checkbox"/>	Overnight	12920 SE 38 th Street
		Bellevue, WA 98006
<input type="checkbox"/>	Hand	Leon M. Bloomfield
<input checked="" type="checkbox"/>	Mail	Wilson & Bloomfield, LLP
<input type="checkbox"/>	Facsimile	1901 Harrison St., Suite 1630
<input type="checkbox"/>	Overnight	Oakland, CA 94612
<input type="checkbox"/>	Hand	Charles McKee
<input checked="" type="checkbox"/>	Mail	Sprint PCS
<input type="checkbox"/>	Facsimile	6450 Sprint Parkway MailStop 2A553
<input type="checkbox"/>	Overnight	Overland Park, KS 66251


 J. Barclay Phillips